

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

PAUL LOVIC WREN

Plaintiff,

V.

CHESAPEAKE ENERGY CORPORATION,
ET AL,

Defendants.

§§ 160.10-160.19

CIVIL ACTION NO. 4:15-cv-1847

JOINT NOTICE OF REMOVAL

TO THE DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS:

Petitioners Chesapeake Energy Corporation, Chesapeake Operating, Inc. (now known as Chesapeake Operating, L.L.C.), Chesapeake Operating, L.L.C., Chesapeake Energy Marketing, Inc. (now known as Chesapeake Energy Marketing, L.L.C.), Chesapeake Louisiana, L.P., Freeport-McMoRan Oil & Gas LLC, PXP Louisiana L.L.C., and PXP Louisiana Operations L.L.C. (collectively “Defendants”), named Defendants herein, appearing through undersigned counsel, with full reservation of all defenses, objections and rights, respectfully represent the following:

1.

The matter entitled “*Wren v. Chesapeake Energy Corp. et al.*,” Docket No. 2015-28431/Court: 127, was filed in the District Court in Harris County, Texas on or about May 15, 2015 (hereinafter referred to as the “State Court Action”).

2.

Service of process was made upon Defendants Freeport-McMoRan Oil & Gas LLC, PXP Louisiana L.L.C., and PXP Louisiana Operations L.L.C. on June 11, 2015 through their agents for service of process. Service of process was made upon Chesapeake Operating, Inc., Chesapeake Operating, L.L.C., Chesapeake Energy Marketing, Inc., and Chesapeake Louisiana, L.P. on June 10, 2015 and on Chesapeake Energy Corporation and Chesapeake Louisiana, L.P. on June 11, 2015 through their agents for service of process. This Notice of Removal is, therefore, timely under 28 U.S.C. § 1446(b) because the Notice was filed in this Court within thirty (30) days after the receipt by formal service on any defendant of a copy of Plaintiff's Petition. *See* 28 U.S.C. § 1446(b).

3.

The State Court Action was instituted by Plaintiff as a civil action which, based on the nature of damages prayed for therein, seeks payment in an amount exceeding \$75,000.00, excluding interest and costs. Specifically, based on the nature of Plaintiff's claims—claims regarding royalty payments for oil and gas leases going back several years—and monetary relief sought of actual damages plus “double the amount of royalties due, interest and attorneys fees,” it is facially evident that Plaintiff seeks to recover over \$75,000.00, exclusive of costs and interest. *See, e.g., Hayes v. Equitable Energy Res. Co.*, 266 F.3d 560, 573 (6th Cir. 2001) (finding by a preponderance of the evidence that the amount in controversy exceeded \$75,000, exclusive of costs and interest, when petition sought unspecified amount of damages covering one oil and gas lease for royalties and gross values of minerals extracted from four oil and gas wells, two of which dated back to 1941).

4.

Plaintiff Paul L. Wren is a natural person and citizen of the State of Louisiana for the purposes of diversity jurisdiction under 28 U.S.C. § 1332.

5.

Defendant Chesapeake Energy Corporation is an Oklahoma corporation with its principal place of business in Oklahoma. Therefore, Chesapeake Energy Corporation is a citizen of the State of Oklahoma for diversity purposes.

6.

On June 26, 2014, Defendant Chesapeake Operating, Inc. converted to an Oklahoma limited liability company and became known as Chesapeake Operating, L.L.C. Prior to the conversion, it was an Oklahoma corporation with its principal place of business in Oklahoma. Presently, in its LLC form, the sole member of Chesapeake Operating L.L.C. is Chesapeake Energy Corporation, an Oklahoma corporation with its principal place of business in Oklahoma. Therefore, Chesapeake Operating Inc. (now known as Chesapeake Operating, L.L.C.) is a citizen of the State of Oklahoma for diversity purposes.

7.

In November 2014, Defendant Chesapeake Energy Marketing, Inc. converted to an Oklahoma limited liability company. Prior to the conversion, it was an Oklahoma corporation with its principal place of business in Oklahoma. Presently, in its LLC form, the sole member of Chesapeake Energy Marketing, L.L.C. is Chesapeake Energy Corporation, an Oklahoma corporation with its principal place of business in Oklahoma. Therefore, Chesapeake Energy Marketing, in both its prior and present corporate forms, is a citizen of the State of Oklahoma for diversity purposes.

8.

Defendant Chesapeake Louisiana, L.P. is a limited partnership organized under the laws of the state of Oklahoma. The general partner is Chesapeake Operating, L.L.C. and the sole limited partner is Chesapeake Energy Louisiana Corporation. Chesapeake Operating, L.L.C. is a limited liability company whose sole member is Chesapeake Energy Corporation, an Oklahoma corporation with its principal place of business in Oklahoma. Chesapeake Energy Louisiana Corporation is an Oklahoma corporation with its principal place of business in Oklahoma. Therefore, Defendant Chesapeake Louisiana, L.P. is a citizen of the state of Oklahoma for diversity purposes.

9.

Defendant PXP Louisiana L.L.C. is a limited liability company with PXP Producing Co., L.L.C. as its sole member. PXP Producing Co., L.L.C. is a limited liability company with PXP Gulf Coast, L.L.C. as its sole member. PXP Gulf Coast, L.L.C. is a limited liability company with Freeport McMoRan Oil & Gas L.L.C. as its sole member. Freeport McMoRan Oil & Gas LLC is a limited liability company with FCX Oil & Gas, Inc. as its sole member. FCX Oil & Gas, Inc. is a corporation organized under the laws of Delaware with its principal place of business in Arizona. Therefore, PXP Louisiana L.L.C. is a citizen of the states of Delaware and Arizona for diversity purposes.

10.

Defendant Freeport McMoRan Oil & Gas LLC is a limited liability company with FCX Oil & Gas, Inc. as its sole member. FCX Oil & Gas, Inc. is a corporation organized under the laws of Delaware with its principal place of business in Arizona. Therefore, Freeport McMoRan Oil & Gas LLC is a citizen of the states of Delaware and Arizona for diversity purposes.

11.

Defendant PXP Louisiana Operations L.L.C. is a limited liability company whose sole member is PXP Louisiana LLC. PXP Louisiana L.L.C. is a limited liability company with PXP Producing Co., L.L.C. as its sole member. PXP Producing Co., L.L.C. is a limited liability company with PXP Gulf Coast, L.L.C. as its sole member. PXP Gulf Coast, L.L.C. is a limited liability company with Freeport McMoRan Oil & Gas L.L.C. as its sole member. Freeport McMoRan Oil & Gas LLC is a limited liability company with FCX Oil & Gas, Inc. as its sole member. FCX Oil & Gas, Inc. is a corporation organized under the laws of Delaware with its principal place of business in Arizona. Therefore, PXP Louisiana Operations L.L.C. is a citizen of the states of Delaware and Arizona for diversity purposes.

12.

Because Plaintiff is a citizen of Louisiana and Defendants are citizens of Arizona, Delaware, and Oklahoma, this is a civil action between citizens of different states and there is complete diversity of citizenship between the Plaintiff and all Defendants.

13.

This Court has original jurisdiction of this matter under 28 U.S.C. § 1332 in that it is a civil action between citizens of different states wherein the amount in controversy exceeds the sum or the value of \$75,000.00, exclusive of interest and costs.

14.

Removal of this action based on diversity of citizenship is proper because none of the parties in interest properly joined and served as defendants is a citizen of Texas, where this action was brought. 28 U.S.C. § 1441(b)(2).

15.

The United States District Court for the Southern District of Texas, Houston Division, is the district and division in which the State Court Action is pending.

16.

Defendants desire to remove the State Court Action to this Court.

17.

Defendants file a copy of all process, pleadings and orders in the State Court Action along with this Notice of Removal. These documents are attached *in globo* to this Notice of Removal as Exhibit “1.”

18.

Undersigned counsel certify that a notice of filing removal, along with a copy of this Notice of Removal, is being served upon Plaintiff by and through his attorney of record on the same date as this filing.

19.

Undersigned counsel certify that a notice of filing removal, along with a copy of this Notice of Removal, is being filed with the Clerk of Court for the Harris County District Court, State of Texas on the same date as this filing.

WHEREFORE, Petitioners, Chesapeake Energy Corporation, Chesapeake Operating, Inc., Chesapeake Operating, L.L.C., Chesapeake Energy Marketing, Inc., Chesapeake Louisiana, L.P., Freeport-McMoRan Oil & Gas LLC, PXP Louisiana L.L.C., and PXP Louisiana Operations L.L.C., pray that the Harris County District Court, State of Texas, proceed no further with the State Court Action, and that said action be removed from said court to the United States District Court for the Southern District of Texas.

Respectfully submitted,



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Chesapeake Operating, Inc., Chesapeake
Operating, L.L.C., Chesapeake Energy Marketing,
Inc., and Chesapeake Louisiana, L.P.***

CERTIFICATE OF SERVICE

I hereby certify that on June 29, 2015, a copy of the above and foregoing has been filed electronically with the Clerk of Court by using the CM/ECF system, which will send a notice of electronic filing to all counsel of record who have registered to receive electronic service, and that all other counsel of record have been served by e-mail, by facsimile, and/or by depositing same in the United States Mail.



Michael B. Donald